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WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
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USCINCCENT MACDILL AFB FL FOR POLAD/USIA ADVISOR  
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD  
COMSIXTHFLT FOR 019

JERUSALEM ALSO FOR ICD  
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E.O. 12958: N/A  
TAGS: [IS KMDR MEDIA REACTION REPORT](#)  
SUBJECT: ISRAEL MEDIA REACTION

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SUBJECTS COVERED IN THIS REPORT:  
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PA Elections: Hamas Victory

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Key stories in the media:  
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During the weekend, leading media reported that international bodies, including the U.S., are threatening to cut their financial aid to the PA. Ha'aretz's web site reported that French Ambassador to Israel Gerard Araud told the newspaper that the EU is considering transferring financial aid to the Palestinians through mediators, such as NGOs. The Jerusalem Post, which cited Western diplomatic sources, reported that Saudi Arabia could bail the PA out of an impending fiscal crisis following the landslide victory of Hamas if it transfers the USD 100 million it pledged to PA Chairman [President] Mahmoud Abbas when he visited there in late December. The newspaper wrote that in addition to bailing out the PA, the money would also give Israel and the world more time to ponder how to deal with the PA following Hamas's victory. On Sunday, Ha'aretz reported that Arab-League Secretary-General Amr Moussa told the newspaper during the weekend in Davos, Switzerland, that the Arab League will move as quickly as possible to help raise funds for the PA. The media reported that during a press conference with visiting German Chancellor Angela Merkel on Sunday, Acting Prime Minister Ehud Olmert announced that he has decided to postpone the monthly transfer of tax revenues that Israel collects on behalf of the PA, because of Hamas's victory. All media quoted Merkel as saying that Berlin would have no contact with Hamas until it disavowed terrorism and recognized Israel and all agreements signed with it.

On Sunday, leading media quoted Defense Minister Shaul Mofaz as saying over the weekend that if Hamas perpetrates terrorism against Israel, Israel will return to the policy of targeted killing. On Sunday, Yediot quoted former prime minister Shimon Peres, who holds the second slot on Kadima's Knesset list, as saying in Davos during the weekend that he believes that the Israeli government should hold negotiations with the Palestinian government led by Hamas, on condition that Hamas "not come to the negotiations with guns."

Israel Radio quoted Mahmoud Zahar, the top Hamas representative in Gaza, as saying in an interview with CNN's Wolf Blitzer on Sunday that if Israel "is ready to give us the national demand to withdraw from the occupied area [in] '67; to release our detainees; to stop their aggression; to make geographic link between Gaza Strip and West Bank, at that time, with assurance from other sides, we are going to accept to establish our independent state at that time, and give us one or two, 10, 15 years time in order to see what is the real intention of Israel after that." Zahar also said: "We can accept to establish our independent state on the area occupied [in] '67." Ha'aretz quoted the deputy head of Hamas's political bureau, Musa Abu-Marzouk as saying in an interview with Fatah-affiliated Al-Haqayiq that Hamas will not oppose Abbas if the latter decides

to negotiate with Israel. On Sunday, Maariv chose to highlight remarks by Hamas's political leader Khaled Mashal that Palestine extends from the Mediterranean Sea to the Jordan River, while Ha'aretz cited Mashal's comment that Hamas will the existing agreements practically.

Israel Radio quoted Likud Chairman MK Binyamin Netanyahu as saying that Hamas's victory is akin to the Nazis' in 1933. Yediot reported that the Likud intends to launch a campaign linking Olmert with Hamas.

On Sunday, Yediot reported that the Palestinians sent a small group of economists and businessmen from the private and business sectors, led by PA Economic Affairs Minister Mazen Senokrot to the World Economic Forum in Davos, the "clear goal" to show the conference participants what they saw as Palestinian economic achievements and to convince as many of them as possible to come to the business and investors' conference that the PA has been planning to hold in Bethlehem in April. Yediot reported that James Wolfensohn, the former president of the World Bank and now the Quartet special envoy, told the newspaper: "The PA desperately needs a hundred million dollars at the beginning of the month. Without it, there is no way to pay the salaries of its more than 150,000 employees. It is completely bankrupt. The people who do not receive their salaries will go out into the streets. On the other hand, I don't expect that the donor countries or any international economic body will be willing to give aid funds to the government assembled and led by a terrorist organization that rules out Israel's very right to exist. Hamas will have to make a decision over the next several days, and at most, weeks."

Today's major Hebrew-language newspapers led with the issues of Hebron's wholesale market and the illegal settler outpost of Amona. The media reported that a compromise has been reached between the state and the Hebron settlers, according to which those who invaded the market's shops will leave them voluntarily and that other families will legally replace them in the future. The media, which reported that on Sunday, the High Court of Justice approved the evacuation of Amona, expect violent clashes there.

During the weekend, Ha'aretz reported that U.S. Jewish leaders are considering providing financial support to Steve Rosen and Keith Weissman, two former American Israel Public Affairs Committee (AIPAC) employees on trial for their entanglement in a high-profile affair over which former Pentagon analyst Larry Franklin was sentenced to 12 years in prison for providing classified information to AIPAC -- via Rosen and Weissman -- and to Israel via senior Israeli Embassy official Naor Gilon.

All media reported on the death of the famed cabbalist Rabbi Kaduri on Saturday, and of his funeral in Jerusalem on Sunday, which was attended by 250,000 people.

Ha'aretz and The Jerusalem Post reported that three NASA astronauts -- Steve Robinson, Eileen Collins, and Andrew Thomas -- arrived in Israel on Sunday to commemorate the third anniversary of the Columbia space shuttle disaster, in which Israeli astronaut Ilan Ramon and the rest of the crew lost their lives.

Google's co-founder Sergey Brin was quoted as saying in an interview with Ha'aretz in Davos that his company "is in the process of establishing an R&D center in Israel."

Yediot cited a claim by the defenders of underworld kingpin Zeev Rosenstein that the state prosecution has let the expiry date set for his extradition to the U.S. go by. Rosenstein is supposed to be put on trial in the U.S. for drug-smuggling offenses.

Maariv printed the results of a TNS/Teleseker Polling Institute survey, which show that Likud is gaining points, while the Labor Party is weakening: Kadima would get 42 Knesset seats (41 in the newspaper's previous poll); the Labor Party would win 19 seats (22); the Likud would get 16 seats (13).

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PA Elections: Hamas Victory:  
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Summary:  
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Senior columnist and chief defense commentator Zeev

Schiff wrote on page one of independent, left-leaning Ha'aretz: "The results [of the Palestinian Legislative Council elections] will force the American leaders to shift their emphasis and take more interest in the possible results of democratic elections in Arab states that lack a real democratic heritage, and where radical religious circles wield crucial influence."

Veteran columnist Yaron London wrote in mass-circulation, pluralist Yediot Aharonot: "The spirit of Hamas is the inner truth of the Palestinian people.... Placing the burden of blame on Israel's policies is an act of arrogance."

Ha'aretz editorialized: "It would be best if Israel ultimately decided to give the Palestinian Authority the [tax monies] that it collects on behalf of the PA.... But ... Hamas leaders must not be allowed to evade responsibility."

Political commentator Shalom Yerushalmi wrote in popular, pluralist Maariv: "There was no [Israeli] policy and no concept, and if there were they were confused and contradictory. In the meantime Hamas is in power and Israel continues with its simulations."

Senior op-ed writer Uzi Benziman commented in Ha'aretz: "Putting an end to the occupation is still the order of the day, even after the Palestinian Authority elections."

Hebrew University Communications and Political Science Professor Eytan Gilboa, currently on sabbatical at the University of Southern California, wrote in Yediot Aharonot: "Elections should be the last -- and not the first -- step in the establishment of a democracy."

The Director of the Interdisciplinary Center's Global Research in International Affairs Center, columnist Barry Rubin, wrote in the conservative, independent Jerusalem Post: "If the relatively secular Fatah generally followed this pattern and rejected moderation, why should Hamas be any different?"

#### Block Quotes:

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#### I. "U.S. Taken By Surprise -- Israel Less So"

Senior columnist and chief defense commentator Zeev Schiff wrote on page one of independent, left-leaning Ha'aretz (January 29): "Before the Palestinian parliamentary elections the United States and Israel had an argument about their outcome. While American intelligence predicted Fatah would win and the new Palestinian government would be able to disarm Hamas, Israeli intelligence argued that there was no chance of a significant Fatah triumph, that Hamas would increase its strength considerably and that Hamas would win up to 50 percent of the votes.... In any case, it figured, Fatah would not be able to disarm Hamas.... The Americans, certain of Fatah's victory, said it was better to hold elections on schedule. In retrospect it is clear that the Americans put more emphasis on the democratic process itself, rather than its outcome. The results will force the American leaders to shift their emphasis and take more interest in the possible results of democratic elections in Arab states that lack a real democratic heritage, and where radical religious circles wield crucial influence."

#### II. "It Is Not Our Fault"

Veteran columnist Yaron London wrote in mass-circulation, pluralist Yediot Aharonot (January 29): "One explanation posits that Hamas gained in strength because our disengagement from the Gaza Strip taught the Palestinians that Israel can be defeated by the power of the sword and, therefore, the sword-bearers are worthy of leading them. Another explanation posits that Hamas won because we weakened the Palestinian Authority until it lacked sufficient strength to meet the Palestinian population's needs and to enforce its authority over the armed organizations. Both those arguments place full blame on us and contradict one another: the former pins Hamas's success on our concessions while the latter on our intractability. Both are shaky.... The truth was otherwise: the spirit of Hamas is the inner truth of the Palestinian people. It has been exposed now not because it did not exist in the past but because the free elections allowed it to come out into the light of day.... Placing the burden of blame on Israel's policies is an act of arrogance. We tend to think that our actions and failings are the principal agent that shapes the spirit of Palestinian society, but that is not the case. What has a greater

impact are trends that are pervasive throughout the Arab world, where Islam has been winning out over nationalism, a product that the Arabs imported from the West and only served to disappoint them.... In the years ahead we have a single task: to hunker down and to fortify ourselves behind borders that we will determine in keeping with the criteria that a majority of Israelis have already made peace with."

### III. "Full Government Responsibility"

Ha'aretz editorialized (January 30): "It would be best if Israel ultimately decided to give the Palestinian Authority the value-added taxes and customs duties that it collects on behalf of the PA. This money belongs to the Palestinians, not to Israel, and it will help the PA only slightly, as its financial situation is disastrous.... But ... Hamas leaders must not be allowed to evade responsibility. Whatever government is formed in the PA today, it will be under Hamas's direct and absolute control. In any case, cabinet members will need the approval of the parliament, where Hamas has an absolute majority, for any decision they make. Therefore, there is complete justification for demanding that Hamas's leadership state its positions publicly and clearly: does it intend to continue terror attacks under the guise of resistance to the occupation? Will it negotiate with Israel based on the formula of mutual recognition and the principle of two states for two peoples, which was laid down in the Oslo Accord?"

### IV. "We Knew, But We Did Nothing"

Political commentator Shalom Yerushalmi wrote in popular, pluralist Maariv (January 30): "Anyone who claims that Israel did not know that Hamas was about to win the Palestinian Authority elections, does not know what he is talking about. In mid-November I talked to a very senior security official who already believed Hamas would receive at least 45 percent of the vote and the chances that it would win the election were high. Palestinian journalists who are close to the grass roots dismissed this prediction, which means that Israel knew better than many Palestinians what was going to happen.... The government was totally negligent in the face of an event that it perceived as dangerous, and did nothing about the new neighbors who were moving in on the other side of the door... The Israeli policy towards the elections was ambivalent and triple-intentioned, which means in effect that there was no policy.... Should Israel have intervened in the elections, to deflect the expected result and thwart the Hamas threat? The answer of the top security brass was, predictably, yes and no. Our main interest, they said, was to grant the Palestinians the responsibility for their fate and for determining their future, even if they should elect Hamas.... In short, there was no policy and no concept, and if there were they were confused and contradictory. In the meantime Hamas is in power and Israel continues with its simulations."

### V. "Guide For the Dumbstruck Dove"

Senior op-ed writer Uzi Benziman commented in Ha'aretz (January 29): "At first glance, the results of the elections in the Palestinian Authority were the death knell for the left's way of looking at the world: when the majority of the Palestinian people votes for a party that, for religious reasons, rejects the right of the Jewish people to have a state on part of the Land of Israel, it affirms the Israeli right's understanding of the essence of the Palestinian-Israeli conflict.... [But] putting an end to the occupation is still the order of the day, even after the Palestinian Authority elections. It is difficult to calculate the contribution of the occupation to the success of Hamas, to determine the extent to which its victory reflects the heartfelt desire of the Palestinian people (and the Arabs in general, in light of the nature of the Arab regimes and the status of Islam within them) versus the extent it is a product of their suffering under Israeli rule."

### VI. "Good News"

Hebrew University Communications and Political Science Professor Eytan Gilboa, currently on sabbatical at the University of Southern California, wrote in Yediot Aharonot (January 30): "The West relates to free elections as a first and key test of the existence of democracy. The Bush administration in particular is seized with an obsession to hold as many quick elections in the Middle East and use them in order to present supposed progress in the war on terror."

However, free elections are an important yet insufficient component in a democracy.... Elections should be the last -- and not the first -- step in the establishment of a democracy."

VII. " Hamas: What the Nationalist Sowed, the Islamist Reaped"

The Director of the Interdisciplinary Center's Global Research in International Affairs Center, columnist Barry Rubin, wrote in the conservative, independent Jerusalem Post (January 30): "The landslide victory of the Islamist Hamas in the January 25 Palestinian elections marks the collapse of the Palestinian national movement.... Fatah, and the PLO of which it was a part, never made gaining a Palestinian state its priority. On the contrary, the goal was one of total victory in which Israel would be wiped off the map. Anything short of that outcome, including achieving a smaller Palestinian state, was not only a distraction from that goal, it was outright treason.... If Fatah is incapable of achieving anything material, why should Palestinians support it?.... Whenever Fatah had to decide between sacrificing its ideology or its people's well-being, the nationalists always chose to sacrifice the latter. If the relatively secular Fatah generally followed this pattern and rejected moderation, why should Hamas be any different?"

JONES